
DATE: March 21, 2012

TO: Medicare Shared Savings Program Applicants

FROM: Medicare Shared Savings Program

RE: Merger and Acquisitions FAQ

In response to questions from industry stakeholders, this memo provides additional guidance to all Medicare Shared Savings Program applicants and future applicants about the requirements under 42 CFR part 425 related to mergers and acquisitions.

Question: Our group practice is applying for participation in the Medicare Shared Savings Program. We recently purchased two small primary care practices. The primary care providers from those small practices are now employees of our group practice and have reassigned their billing to our group practice TIN. Is there a way to take into account the information from the small group practices on my application for the Medicare Shared Savings Program for purposes of benchmarking and preliminary prospective assignment?

Answer: Yes. Under certain circumstances, CMS may take TINs acquired through purchase or merger into account:

- The ACO participant must have subsumed the acquired TIN in its entirety, including all the ACO providers/suppliers that billed under that TIN.
- All the ACO providers/suppliers that billed through the acquired TIN must reassign their billing to the ACO participant TIN.
- The acquired TIN must no longer be used.

In order to assess the impact of these acquired TINs on the ACO's application, the ACO applicant must:

- Submit acquired TINs on the ACO participant list, along with an attestation stating that all ACO providers/suppliers that previously billed under the acquired TIN have reassigned their billings to an ACO participant TIN.
- Flag acquired TINs and which ACO participant acquired them for the CMS application reviewer.

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- Submit supporting documentation demonstrating that the TIN was acquired by an ACO participant through a sale or merger and submit a letter attesting that the TIN will no longer be used.